

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAPE T 00042 221747Z

60

ACTION XMB-07

INFO OCT-01 AF-10 ISO-00 EB-11 CIAE-00 INR-10 NSAE-00

RSC-01 TRSE-00 COME-00 INT-08 FEA-02 SS-20 OPIC-12

PRS-01 DRC-01 /084 W

----- 050332

R 221340Z JAN 74

FM AMCONSUL CAPE TOWN

TO SECSTATE WASHDC 3703

INFO AMEMBASSY KINSHASA

LIMITED OFFICIAL USE CAPE TOWN 0042

E.O. 11652: N/A

TAGS: OVIP, SF

SUBJECT: VISIT EIB DIRECTOR KOBELINSKI AND DEP. SR.

V.P. BIERMAN

FOR EXIM

1. DISCUSSIONS CENTERED AROUND TWO MAJOR TOPICS; INGA-SHABA AND POSSIBLE EFFECTS OF ENERGY SITUATION ON PROJECT AND 2) ZAIRANIZATION.

2. THE SMTF AND INGA-SHABA PROJECTS APPEAR TO BE PROGRESSING NORMALLY. THE CONDITIONS PRECEDENT FOR INGA-SHABA ARE NEARLY COMPLETED AND SHOULD BE IN WASHINGTON BEFORE OUR RETURN. SMTF IS SOMEWHAT WORRIED BECAUSE FINANCING FOR ITS PROJECT HAS NOT BEEN FINALIZED.

3. ONE POTENTIAL PROBLEM WITH COMPLETING INGA-SHABA WAS RAISED BY THE MOBIL OIL REP. HE STATED THAT THE SHABA REGION IS COMPLETELY RELIANT ON A FINA OWNED TERMINAL AT LOBITO, ANGOLA TO SUPPLY ITS PETROLEUM. THE GOZ HAS RECENTLY NATIONALIZED ALL OF THE OIL SUPPLIERS IN ZAIRE INCLUDING FINA. WHILE THE POSSIBILITY IS REMOTE, THERE IS THE CHANCE THAT FINA WILL RETALIATE AND CLOSE THE ANGOLAN TERMINAL THUS

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAPE T 00042 221747Z

CUTTING OFF THE SUPPLY OF PETROLEUM TO SHABA AND ENDANGERING

THE PROJECT. WHILE THIS IS ONLY A REMOTE POSSIBILITY, IT MUST BE CONSIDERED. SNEL WAS ASKED TO SERIOUSLY CONSIDER THIS SITUATION AND AT LEAST LOOK FOR ALTERNATE SOURCES OF SUPPLY.

4. ZAIRANIZATION HAS HAD A MORE DRAMATIC IMPACT THAN ANTICIPATED ON THE COUNTRY'S ECONOMY. THE GOZ HAS NATIONALIZED THE SUPPLY AND DISTRIBUTION FUNCTIONS OF THE COUNTRY, WHICH MAY POSSIBLY STRANGLE THE COUNTRY'S DISTRIBUTION NETWORK. THE PEOPLE WE TALKED TO IN PRIVATE INDUSTRY WERE COMPLETELY NEGATIVE WHILE THE GOZ TOOK JUST THE OPPOSITE TACT. THEY INDICATED FOREIGN INVESTMENT ESPECIALLY U.S. WAS WELCOME AND THE RECENT CHANGES WOULD NOT AFFECT NEW

INVESTMENT IN THIS MARKET.

5. IT IS RECOMMENDED THAT BOTH TOPICS DISCUSSED IN THIS TELEGRAM BE CONSIDERED IN DETAIL AT THE EARLIEST OPPORTUNITY. DETAILED TAPES OF DISCUSSIONS SHOULD BE IN BIERMAN'S OFFICE BY END OF JANUARY.

6. GREAT INTEREST WAS SHOWN BY BOTH GOVT. AND PRIVATE BANKS REGARDING THE CFF PROGRAM. AN APPLICATION FROM BANK DE PEUPLE SHOULD BE SUBMITTED SHORTLY. FURTHER, THERE IS THE POSSIBILITY OF THIS BEING DISCUSSED IN A NEWSPAPER ARTICLE SANCTIONED BY THE GOZ, STRESSING THE IMPORTANCE OF THIS TYPE FACILITY FOR ZAIRE.

DECON 2/22/74.
GAMON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CAPET00042
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: CAPE TOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740125/aaaaaxpu.tel
Line Count: 90
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2002 by boyleja>; APPROVED <04-Sep-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: VISIT EIB DIRECTOR KOBELINSKI AND DEP. SR. V.P. BIERMAN
TAGS: OVIP, SF, (KOBELINSKI), (BIERMAN)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005